

House Republican Press Release

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Press Office: 860-240-8700

A VIEW FROM THE INSIDE State Representative Ruth Fahrbach



Mortgage relief bill should help those who need assistance

During this year's regular legislative session, the state legislature passed "An Act Concerning Responsible Lending and Economic Security," (P.A. 08-176). Unlike the federal mortgage assistance initiatives, this bill is aimed at helping those who need it the most – the homeowner.

The law took effect on July 1 and includes several components that are mandatory and relative to homeowners who are delinquent and/or facing foreclosure. The non-partisan Office of Legislative Research has compiled the following breakdown of the bill and its functions.

Emergency Mortgage Assistance Program (EMAP)

The Emergency Mortgage Assistance Program is available to provide emergency mortgage assistance payments to eligible homeowners. Funding in the amount of \$64 million has been provided for EMAP and will be administered by Connecticut Housing Finance Authority (CHFA).

- All lenders are required by law to take specific actions prior to commencing a judgment of strict foreclosure or foreclosure by sale for one-to-four family, owner-occupied residential real property located in the State of Connecticut, including condominiums.
- Lenders who start a foreclosure process upon a borrower, are required to give written notice to the borrower by registered or certified mail indicating that the borrower has 60 days from the date of the notice to confer with the lender or have a face-to-face meeting with a consumer credit counseling agency to attempt to resolve the delinquency or default.
- In the notice, the lender must also inform the borrower that the EMAP Program is being administered by Connecticut Housing Finance Authority (CHFA). If the lender and borrower are unable to resolve the delinquency or default, the borrower will have 60 days from receipt of the written notice to obtain information and apply for the EMAP Program.
- EMAP is not available to borrowers who have FHA-insured loans.

- Homeowners may contact the CHFA Special Programs Call Center located at 999 West Street, Rocky Hill, CT 06067 via telephone 8:30 a.m. to 5:00 p.m. – local calls 860-571-3500 or toll free 877- 571-CHFA (2432) or via e-mail at EMAPinfo@chfa.org

WorkPlace, Inc., in conjunction with other regional workforce development boards, will establish a mortgage crisis job training program for eligible borrowers if they are at least 60 days delinquent on their mortgage, are referred by the CHFA lender or demonstrate an imminent need to increase earnings in order to avoid delinquency or foreclosure.

Homeowner’s Equity Recovery Opportunity (HERO) Loan Program

The purpose of the HERO Program is to permit CHFA to purchase eligible mortgages directly from lenders and place those borrowers on an affordable repayment plan. Funding in the amount of \$30 million will be available for this program. There are several options currently being developed. Anyone with questions may contact the CHFA Special Programs Call Center located at 999 West Street, Rocky Hill, CT 06067 via telephone 8:30 a.m. to 5:00 p.m. – local calls 860-571-3500 or toll free 877- 571-CHFA (2432) or via e-mail at HEROinfo@chfa.org.

Foreclosure Mediation

All lenders are required by law to attach to the front of the complaint that is served on the borrower a copy of the “Notice to Homeowner: Availability of Foreclosure Mediation” form and a “Foreclosure Mediation Request” form. In the mediation process, EMAP, HERO and the CT FAMLIES Programs will also be discussed with the borrower as alternatives to saving the borrower’s home from foreclosure. Inquires regarding Foreclosure Mediation may be directed to Roberta Palmer, Superior Court Operations at (860) 363-2734 or via e-mail at: roberta.palmer@jud.ct.gov.

CT FAMLIES Program

CHFA continues to offer the Connecticut Fair Alternative Mortgage Lending Initiative and Education Services (CT FAMLIES) Program, a refinancing mortgage loan that is at a fixed rate for a term of 30 years. Eligible homeowners who have an Adjustable Rate Mortgage (ARM) or their current mortgage is no longer suitable for their financial situation may qualify for a CT FAMLIES Loan. Homeowners may contact the CHFA Special Programs Call Center located at 999 West Street, Rocky Hill, CT 06067 via telephone 8:30 a.m. to 5:00 p.m. – local calls 860-571-3500 or toll free 877- 571-CHFA (2432) or via e-mail at CTFAMLIES@chfa.org.

In these tough economic times, many people are struggling to keep their homes. Utilizing these programs, as outlined above, will be helpful to those who are battling against foreclosure.

State Rep. Ruth Fahrbach represents the 61st District, including Suffield, and parts of Windsor and East Granby, in the General Assembly.

CONNECTICUT HOUSING FINANCE AUTHORITY
EMAP COUNSELORS in the Hartford area are:

Co-opportunity, Inc.
20-28 Sargeant Street
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